

## **Return of Title IV Funds Policy (R2T4)**

Jonkoping University (JU): OPE ID 04182800  
*Policy effective 2021*

This policy applies only to eligible US citizens and eligible non-citizens receiving Title IV Direct Loan funds from the U.S. Department of Education (Department).

JU is required by U.S. federal law (34 CFR §668.22) to make a return of funds calculation when a student withdraws from the school. The R2T4 calculation is done by the Finance Department and follows the Department's guidelines.

If a student withdraws, he/she may not be eligible for the full amount of Title IV funds the student was scheduled to receive within the payment period (term) because that award was based on the student completing the term. Therefore, if a student withdraws, he/she has not earned all the Title IV funds, and any funds that were not earned must be returned to the Department.

### **Withdrawal Procedure**

Students will be instructed to follow JU's official withdrawal procedure.

#### *Official withdrawal*

The official withdrawal date is based on the earlier of:

- The last date of attendance at an academically-related activity by a student, or
- The date the student began the withdrawal process and officially notified Registrar/Finance of his/her intent to withdraw.

(In accordance with 34 CFR 668.22(c))

Attendance is defined as attending compulsory lectures, seminars, lab work or completing required written assignments, exams, or presentations.

#### *Leave of Absence*

If a student takes an approved leave of absence within a term, this will not be considered a withdrawal and no R2T4 calculation will be made unless the student does not return to JU on the agreed upon date. At that point, the school would need to perform the R2T4 calculation using the last date that the student attended.

#### *Unofficial withdrawal*

- If a student ceases to attend classes without notifying the school, this is considered to be an unofficial withdrawal. In this case, the withdrawal date will be calculated as the midpoint of the enrollment period resulting in 50% of aid earned if JU cannot establish the last date that the student took part in an academically related activity.

- If a student receives all non-passing grades during a term, JU will determine whether the student earned the non-passing grades or whether the student unofficially withdrew.

## **R2T4 Calculation**

The percentage of aid earned by a student will be calculated by dividing the number of days the student attended in the payment period by the total number of days in that payment period. The total days in the period will exclude any breaks of more than 5 days. The resulting percentage is the percentage of aid that the student earned. JU will use the Department's R2T4 worksheet calculation to compute the amount of funds that it may need to return and the amount of funds disbursed directly to the student that the student is responsible to repay.

If JU has disbursed less aid than the student has earned, a post-withdrawal disbursement will be calculated. The student will be notified and can choose whether to have those funds disbursed or not.

A student who remains enrolled beyond the 60% point is considered to have earned all awarded loan funds for the payment period. No funds will need to be returned to the Department.

JU will calculate the amount of aid earned via the R2T4 worksheet within 30 days from the date it determined the student withdrew. [If a student's R2T4 calculation results in a Title IV credit balance on the student's account, the University will disburse the credit balance to the student ASAP, but no later than 14 days after the R2T4 calculation.](#) The school will return any funds that it is responsible for returning to the Department within 45 days of the date JU determined the student withdrew.

Direct Loan funds will be returned in the following order:

- Direct Unsubsidized loans
- Direct Subsidized loans
- Direct PLUS loans

Any funds that are the student's responsibility to return will be repaid in accordance with the terms of the promissory note.

## **R2T4 and JU's Institutional Fee Refund Policy**

When unearned Direct Loan funds are returned to the Department, this may result in the student owing JU for course/programme fees. The calculation of Title IV funds earned by the student is different and independent of the calculation of any refund of tuition and fees that may be determined by JU's fee refund policy. In some cases, the Return to Title IV calculation may result in JU returning funds that were applied to the student's tuition and fees creating an account balance owed by the student to the school. The student is responsible for paying any institutional charges in such cases.

For more information on JU's tuition and fee refund policy please see page 9 of:

[§ 909 Regulations for application and tuition fees at Jönköping University.pdf \(ju.se\)](#)

## **Post-withdrawal Disbursement**

If a student withdraws, the school may have to complete a calculation to determine whether the student is eligible for a post-withdrawal disbursement.

JU will notify a student, or parent, in the case of a Direct Parent PLUS Loan, prior to making any post-withdrawal disbursement of loan funds. The student or parent will then need to inform JU whether they wish the loan funds to be disbursed or returned to the Department of Education. If they request disbursement, they will notify JU whether those loan funds are to be credited to the student's account or disbursed directly to the student (or parent).

The notice will be provided within 30 days of the date the school determined that the student has withdrawn. It will request confirmation of any post-withdrawal disbursement that the student or parent, as applicable, wishes the school to make. The notification will be sent via email, and the student (or parent) must respond to this notification within 14 days. If no response is given, no post-withdrawal disbursement will be made. If the student requests the disbursement, JU will credit the student's account with the disbursement for current charges within 180 of the date of determination.